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DCI/IC 77-1912/1  
18 April 1977

MEMORANDUM FOR: Admiral Daniel J. Murphy, USN  
Deputy to the DCI for the Intelligence  
Community

FROM :  Chairman STAT  
DCI Security Committee

SUBJECT : Proposed Executive Order Establishing a  
Military Personnel Security Program

REFERENCE : DCI Letter of 23 December 1976 to Director, OMB

1. The Department of Defense is drafting a proposed Executive Order to establish a proper regulatory foundation for the military personnel security program and for determining qualifications for membership in the Armed Forces. A copy of their proposal is attached.

2. The personnel security provisions of the proposed order are of concern. The proposed order omits any acknowledgement of the DCI's responsibility for the protection of intelligence sources and methods information, and of his Government-wide role in prescribing personnel security procedures governing access to such information. Some sections of the proposed order (e.g., 202(b) and 204) would appear to make it discretionary with the Secretary of Defense whether he would accept standards prescribed by the DCI, such as in DCID 1/14, governing suitability for and access to sensitive sources and methods information. Another section [204(e)] would confer similar discretionary authority with regard to reinvestigations, offering the potential for overriding DCID 1/14's requirement for periodic update investigations for those with access to compartmented information. Yet another, [203(b)], would limit the scope of investigations so as to preclude inquiries into some areas of measurable security concern, such as financial practice and personal affairs. In some ways, this proposed order is similar to the draft Executive Order largely prepared by the Department of Defense about a year ago and designed to set "Suitability Requirements for Government Employment." The provisions of that

draft order were deemed by the DCI not to afford adequate protection to sensitive foreign intelligence information and activities.' The referenced letter provided detailed comments on that draft. The current proposed order has not been coordinated with the Intelligence Community Staff.

3. Attached is a proposed memorandum for your signature to forward the subject draft order to the CIA General Counsel for review and discussion with the Department of Defense on those issues of concern under the DCI's responsibilities.

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Attachments:

As stated